The Evolution of Film: An Interview With Peter Bradley

By Glenn Bossik

Thanks to the Internet, independent filmmakers can now chart their own course for success. They can easily communicate with large audiences through social networking sites. These audiences often promote films through word of mouth.

There is, however, another element that can determine whether an independent filmmaker will succeed—distribution. Azureus Inc., a quickly growing media company, solves the problem of obtaining affordable film distribution. In fact, filmmakers can host high-resolution video content on the company's Web site, Vuze.com, for free.

Scriptologist.com spoke with Peter Bradley, Vice President of Business Development for Azureus, to gain insight into how the company is revolutionizing the world of low-budget filmmaking.

Scriptologist.com (Q): I'm curious about your professional background.

Peter Bradley (PB): My background for the past ten years has been heavily focused on licensing and merchandising digital media. I started my career with a company called Liquid Audio, which was really the first iTunes-like store on the Internet. Liquid Audio was eventually acquired by Wal-Mart, and it exists today as Wal-Mart's digital music solution and video solution. My primary role there was heading up business development and content licensing.

Q: What interested you in getting into Web-based video?

PB: I wanted to do something in the digital entertainment space, so I was very interested in Azureus. Technology has caught up enough to make it possible to provide users with a DVD- and HD-quality video experience over the Internet.

Q: From what I understand, your software has gone through three versions—Azureus, Zudeo, and now Vuze.

PB: Azureus as a product still exists today and has over 140 million downloads. However, it requires some technical knowledge to use and it does not include content hosting. We built Vuze, which is a user-friendly version of Azureus. It looks a lot like iTunes. It models a lot of the easier-to-use features of that product.

And it allows people, with the click of a button, to download content. The peer-to-peer technology that we use doesn't require a particularly large Internet connection, although it helps.

The advantage of peer-to-peer is that the more people who download a file, the more bandwidth those individuals are contributing and the faster that file is downloaded.

Q: I noticed that films from some of your larger corporate partners can only be viewed on your Web site on a pay-per-view basis. How did you make that possible?

PB: Our first goal is to build a community for independent content creators and large corporate content providers and then help them monetize that content. We take an individual piece of content and create a branded store around it. IndieFlix is a good example of this [concept]. They're an independent film distributor. We set up a way in which people can rent or purchase that piece of content. We utilize PayPal today to make that happen, but users can use their credits cards. Additionally, many of our corporate partners offer first episodes or free screeners for free.

Q: If an independent filmmaker came to you and said, 'I'd like to host my video on your servers and I'd like to set up online payment processing,' how would that person proceed?

PB: That is our business model. Our model is to be the eBay of digital media. The user would contact me or someone in the company through our partners page, and we would outline the goals for their content and how to help them monetize it—the pricing, the geographical territories, the level of DRM protection they would like, and whether they would like to participate in our free screeners program.

The free screeners program has been hugely successful for us. It allows a filmmaker to say, 'I've made a great piece of content but, since no one's seen it, I'd like to give away a thousand or five thousand copies of it through Azureus. And I will then start charging for the content.' That allows the market to build buzz and awareness about that piece of content. People tell their friends. They rate it. They rank it. It's a very cheap way of driving demand for content. Even our corporate clients take advantage of this. They often give away the first episode of a television show for free. You'll see that from the BBC and from Starz and others. The idea is that you get the first episode for free and, if you like it, you can purchase additional copies.

Q: Does your company take a percentage of each transaction?

PB: We take a small percentage of the transaction, depending on the content and its popularity.

Q: I understand that you've had over a million unique users of your software.

PB: We're actually up to about four to four-and-a-half-million unique users right now. And we grow at a rate of 600,000 new users a week.

Q: That's impressive. What are your main sources of traffic?

PB: It's really coming from social networking. There are ways in which you can take your favorite piece of content and embed it into your blog or MySpace account. A lot of our content providers drive this type of traffic. For example, today we did a launch with UNICEF. They brought a whole new group of people to Azureus. Those types of partnerships help a company like UNICEF get awareness about their social causes and also bring people into our community.

Q: Are any of your other partners like BBC and Starz linking to you?

PB: Yes. Showtime and A&E have been very aggressive.

But a lot of this stuff comes from independent filmmakers who have their own Web sites. I can think of one site, *Reign of the Fallen*. The first thing on the site is [the statement]: 'If you want to see the trailer, click on this Magnet Link.' A Magnet Link is what I like to call an HTML sticker. It's like the picture of the content, and that really drives awareness.

Q: The Magnet Link seems to contain a frame from the film footage.

PB: There's a count of how many times the film has been downloaded right in the Magnet Link. So, if you visit *Reign of the Fallen*, you can see exactly how many times it's been downloaded. And there have been tens of thousands of downloads for their content.

Q: Do people who utilize the big social networking sites like MySpace drive traffic to Azureus?

PB: Yes.

Q: I've noticed that there's an ongoing convergence between TV and the Internet, and the tech companies are starting to sell set-top boxes like Apple TV. How do you think this will affect your industry? Will you form partnerships with the original equipment manufacturers that make these set-top boxes?

PB: We're already in dialogue with these companies. We're already compatible with Microsoft's XBOX. It's an important feature to us because our focus is on quality of the image. It's not YouTube. It's not a low-resolution file. It's really designed to be plugged into the back of your TV and seen in the resolution that the filmmaker intended it to be, even if it's an HD. I have a cable on the back of my plasma screen TV, and I just plug my laptop in there.

We're focused today on building a good Internet experience first and then migrating to the box. We've seen a lot of companies do the opposite. There are a bunch of companies that make boxes. That's a barrier for the consumer, and these companies have not been growing very well.

Q: Would you partner with any of the film studios?

PB: Yes. We're in dialogue today with all the major studios. Showtime is really the first part of that. Showtime is owned by CBS, which in turns owns Paramount.

Q: In theaters with digital projection units, would it be possible to connect those projectors to the Internet and then download films from your site?

PB: A lot of our users today use little office projectors at home. For about $800, you can get a projector that will provide a larger picture than any television set. A lot of our users already do that today.

Q: Web-based video hosting services show promise for alternative film distribution. A studio might want to release a film in the theaters *and* on the Internet at the same time. Does your company want to host big-budget films?

PB: We've talked to some of the studios about this. I think it's not a question of if but more a question of when. Some of the major studios we've talked to have spoken about giving away the DVD extras prior to the film's release in a theater, or alternate endings. That's a step in that direction.

We're also major sponsors of a lot of film festivals around the country. We're becoming a community where people can upload their films. They can see the film ratings. Then there's an Azureus submission. So, we're working with Cinequest and the Independent Television Festival in Los Angeles. We will be one of the submission portals for that festival.

Q: Could filmmakers upload their films to your Web site instead of physically sending in their footage?

PB: Yes. Then our community could rate and rank them.

Q: You host both standard and high-definition video. What equipment would filmmakers need to upload their video files to your site if they had a final cut of their films on a PC? Are they just given a username and password and then allowed to log into a directory to upload their video files?

PB: It's just that easy. If they want to monetize it, it's a little more complex. If they're looking for exposure, for example, we have a couple of people posting their treatments on our site. They're looking to raise awareness and raise funds for their film. It's a great vehicle for that.

Q: Can a filmmaker upload a trailer?

PB: Yes. There's one up there called *The Silent City*. It's a twenty-minute treatment of a film. So it's more than a trailer, and it was shot in HD. The costs of working with HD have dropped dramatically. For under $900 today, you can buy an HD camcorder.

We're also one of the sponsors of the Final Cut Pro Group. We really believe in the independent film community. We think that the next great hits are going to be discovered on the Internet.

Q: If an independent filmmaker were hosting an entire film on your site and working with you to sell the film on a pay-per-view basis, would there be additional social networking features and viral marketing features that you would make available in the future?

PB: We add the tools. It's really up to the promoter, the owner of the content, to drive demand for it. There are plenty of tools on our site right now that will put you into social networking groups.

If you look at the film, *The Silent City*, on our site, you'll see buttons that enable you to add it immediately to social networking groups such as Facebook and Delicious.

There are also comments about the film. This particular example is an independent filmmaker trying to raise funds for his film. As you can see, it's been downloaded 10,000 times since the middle of February.

Q: So it looks like you're getting plenty of traffic. Are you doing any ad campaigns? Or is traffic increasing by word of mouth?

PB: We're really relying on the social networking community much the way YouTube and MySpace did, and focusing on our PR and our sponsorship of film festivals and television festivals.

Q: Have you been getting a lot of people from the festivals?

PB: Yes. There's no cost to upload your content to our Web site.

Q: So, you're providing free video hosting.

PB: Yes.

Q: Is the pay-per-view version offsetting the video hosting cost and bringing in revenue?

PB: Yes. The community is too because we're using a distributed computing network, and the costs aren't that high.